



THE CITY OF SAN DIEGO
Redevelopment Agency
City Redevelopment Division

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Development Agreement for \$110 Million Mixed-Use Redevelopment Project in Rolando Approved

CentrePoint Project in Crossroads Redevelopment Project Area Moves Forward

SAN DIEGO – The Redevelopment Agency of the City of San Diego this week approved a Disposition and Development Agreement (DDA) with CentrePoint, LLC to create a \$110 million, pedestrian-oriented mixed-use project which will include market rate and critically needed affordable housing units. The agreement marks the first major project to begin construction within the Crossroads Redevelopment Project Area and will serve as a catalyst to attract future public and private investment to the Project Area.

“The City must continue to foster positive relationships with developers who are committed to build housing opportunities for all San Diegans,” said Mayor Jerry Sanders. “CentrePoint is an excellent example of what can be accomplished when public and private entities work together to find solutions to our continuing housing crisis.”

The CentrePoint project will offer 312 residential units, consisting of 97 townhouses, 204 residential flats and 11 live/work units. Forty seven units are designated as affordable and will be available to families earning 100 percent of the Area Median Income (AMI). All of the affordable housing units will be provided on-site and will remain affordable in perpetuity. The project will also include nearly 4,000 square feet of retail space, 610 off-street parking spaces and open space and recreational facilities. The project will be located on an 8.93-acre site along the 6300 block of El Cajon Boulevard at 63rd street to the west.

“We are very excited to begin redevelopment within the Crossroads Redevelopment Project Area with a project of CentrePoint’s size and scope,” said Councilmember Jim Madaffer, whose seventh district includes Crossroads, as well as the College Grove, College Area, and Grantville Redevelopment Project Areas. “This project has overwhelming community support and will serve as an excellent springboard to bring nine acres of new housing, services and commercial opportunities to area residents in an area where there are currently vacant storefronts and blight.”

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The DDA provides for CentrePoint, LLC, to finance the project with a combination of conventional financing and developer equity. CentrePoint, LLC has requested Agency involvement with gap financing for a portion of the units to be affordable in the maximum aggregate amount of \$5,245,000. The Agency's contribution will be in the form of a developer loan/advance from the Redevelopment Agency Affordable Housing Collaborative Program and will be repaid from the Crossroads Redevelopment Project Area's Low and Moderate Income Housing Funds.

"Due to existing affordable housing funds being dedicated to other great projects, CentrePoint presented an excellent opportunity for our team and the City to cooperatively structure a progressive affordable housing funding solution," said Douglas Wilson, Chairman and CEO of Douglas Wilson Companies, the lead partner of CentrePoint, LLC. "This agreement does not require an upfront monetary commitment from the City and allows CentrePoint's success to assist in delivering much-needed affordable housing units. This is a win-win agreement and a solid template for the future of affordable housing."

The City of San Diego's 1,031-acre Crossroads Redevelopment Project Area and Redevelopment Plan were established by the City Council on May 6, 2003. The area is located along the commercial corridors of El Cajon Boulevard and University Avenue from La Mesa to 54th Street, close to the Redevelopment Agency's existing City Heights, College Grove and College Area Redevelopment Project Areas, as well as the Redevelopment Project Areas of the City of Lemon Grove and La Mesa. The Project Area enjoys close proximity to San Diego State University, College Grove Shopping Center, and the Salvation Army's Ray and Joan Kroc Corps Community Center, a 12-acre family support, education, recreation, and cultural arts facility.

In addition to CentrePoint, there are eight additional affordable housing developments that have been approved for funding through the Redevelopment Agency Affordable Housing Collaborative Program. These nine projects, which will receive \$48 million in redevelopment funding, represent a combined total of 1,170 units, 720 of which are affordable. There are eleven additional projects pending or under review, representing 1,638 proposed housing units, 817 of which are earmarked as affordable housing. These projects represent potential redevelopment subsidies of nearly \$61.5 million combined.

The goal of the City's Redevelopment Agency Affordable Housing Collaborative Program is to increase the City's affordable housing inventory for very low- and low-income households, to assist people with moderate-income levels achieve homeownership and, on a case-by-case basis, to acquire and rehabilitate existing properties. The collaboration of the Redevelopment Agency (which includes the City's Redevelopment Division, the Centre City Development Corporation and the Southeastern Economic Development Corporation) and the San Diego Housing Commission was developed to combine resources to carry out the City's comprehensive affordable housing strategy.

For more information about available affordable housing units citywide, contact the **San Diego Housing Commission** at (619) 231-9400 or visit **www.sdhc.net**. Comprehensive affordable housing information, including policies, initiatives and a wide array of programs, is also available on the **City of San Diego's** Web site at **www.sandiego.gov/housing**.

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For more information about the Crossroads Redevelopment Project Area please contact **Tracy Reed** with the **City's Redevelopment Division** at **(619) 533-7519** or visit the City's web site at **www.sandiego.gov/redevelopment-agency**.

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Redevelopment Agency of the City of San Diego

The City of San Diego Redevelopment Agency eliminates blight from designated areas, as well as achieves the goals of development, reconstruction and rehabilitation of residential, commercial, industrial, and retail districts.

*Redevelopment is one of the most effective ways to breathe new life into deteriorated areas plagued by social, physical, environmental or economic conditions that act as a barrier to new investment by private enterprise. The City of San Diego Redevelopment Agency consists of three divisions: the **City Redevelopment Division** (which provides overall agency management and is housed in the City of San Diego Community and Economic Development Department), the **Centre City Development Corporation** and the **Southeastern Economic Development Corporation**.*

Douglas Wilson Companies

Founded in 1989, Douglas Wilson Companies provides a wide range of specialized business, workout, and real estate services to law firms, State and Federal courts, corporations, partnerships, pension funds, REITs, financial institutions and property owners throughout the United States. With offices in San Diego, San Francisco, Denver and Atlanta, the company is one of the largest business service entities of its kind the United States, providing workouts and problem resolution, asset management, consulting, business planning, receiverships, development, and construction management services. To date, the company has provided court appointed fiduciary services for more than 450 matters in excess of \$4 billion. The company also has an active real estate development division, which in 2002 completed the \$60 million ParkLoft condominium complex in San Diego's East Village and is now developing a companion property, The Mark, a \$155 million, 33-story condominium tower.